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Proposed Attorney for Debtor-in-Possession,  
Mr. Tortilla, Inc.

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SAN FERNANDO VALLEY DIVISION

In re

Case No.: 1:24-bk-10228-VK

Chapter 11

MR. TORTILLA, INC.,

Debtor-in-Possession.

**DEBTOR'S UPDATED STATUS  
CONFERENCE REPORT;  
DECLARATION OF ANTHONY  
ALCAZAR IN SUPPORT THEREOF**

*Continued Status Conference:*

Date: June 27, 2024

Time: 1:00 P.M.

Place: Courtroom 301 (in-person and  
ZoomGov)

21041 Burbank Blvd.

Woodland Hills, CA 91367

**TO THE HONORABLE VICTORIA S. KAUFMAN, JUDGE OF THE  
UNITED STATES BANKRUPTCY COURT, TO THE UNITED STATES  
TRUSTEE, TO THE SECURED CREDITORS, TO THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS, AND TO ALL INTERESTED  
PARTIES AND THEIR ATTORNEYS OF RECORD:**

On behalf of Mr. Tortilla, Inc. ("Debtor"), debtor and debtor-in-possession herein,  
the Law Offices of Michael Jay Berger ("Debtor's Counsel") hereby submits the  
following updated Status Conference Report ("Status Report"), as follows:

1 **1. SIGNIFICANT EVENTS IN THE BANKRUPTCY CASE SINCE THE**  
2 **PRIOR STATUS CONFERENCE**

3 On April 19, 2024 the Official Committee of Unsecured Creditors ("Creditors'  
4 Committee") filed its Application to Employ Genesis Credit Partners, LLC ("Genesis")  
5 as Financial Advisor and Investment Banker ("Application to Employ Genesis") [docket  
6 no. 141]. On May 24, 2024 the Court entered an Order granting the Application to  
7 Employ Genesis [docket no. 204].

8 On April 22, 2024, Debtor filed its Opposition to Creditors' Committee's  
9 Application to Employ Orrick Herrington & Sutcliffe LLP as Counsel ("Opposition to  
10 Application to Employ Orrick") [docket no. 146]. On May 9, 2024, the Creditors'  
11 Committee filed its Reply to the Debtor's Opposition to the Application to Employ  
12 Orrick as well as to other responses and oppositions on file [docket no. 165]. On May 20,  
13 2024 the Court entered an Order approving the Application to Employ Orrick [docket no.  
14 189].

15 On April 25, 2024, Debtor filed a Motion for Turnover of Property ("Turnover  
16 Motion") [docket no. 148]. On May 16, 2024, the Turnover Motion came for hearing, and  
17 on May 22, 2024 the Court entered an Order granting the Turnover Motion [docket no.  
18 196].

19 On May 8, 2024, the Creditors' Committee filed its Motion for 2004 Examination  
20 of the Debtor ("2004 Motion") [docket no. 160]. On May 9, 2024, the Court granted the  
21 2004 Motion [docket no. 162]. Debtor has cooperated with the Creditors' Committee, and  
22 produced the documents requested in the 2004 Motion on May 29, 2024.

23 On May 9, 2024, the Creditors' Committee filed its Objection to the Notice of  
24 Setting Insider Compensation of Debtor's insiders ("Insider Compensation Objection")  
25 [docket no. 163]. On May 14, 2024 Debtor filed its Reply to the Insider Compensation  
26 Objection [docket no. 180]. Hearing was held on the Insider Compensation Objection on  
27  
28

1 May 16, 2024. On June 4, 2024 the Court issued an Order that resolved the Insider  
2 Compensation Objection [docket no. 209].

3 On May 9, 2024, the Debtor filed its Emergency Motion for Order Authorizing  
4 Interim Use of Cash Collateral (“Cash Collateral Motion”) [docket no. 166]. On May 16,  
5 2024 the Creditors’ Committee filed its Objection to the Cash Collateral Motion [docket  
6 no. 185], and on May 17, 2024 creditor Sand Park Capital, LLC filed its Objection to the  
7 Cash Collateral Motion [docket no. 188]. On May 24, 2024 the Debtor filed its Reply to  
8 the Objections to its Cash Collateral Motion [docket no. 203]. Hearing on the Cash  
9 Collateral Motion is scheduled for June 27, 2024 at 1:00 p.m.

10 On May 16, 2024, the Debtor filed its Motion to Reject Sublease for Non-  
11 Residential Property at 1110 Arroyo Street, San Fernando, CA 91340 (“Motion to Reject  
12 Sublease”) [docket no. 183]. The Motion to Reject Sublease was not objected to, and was  
13 granted by the Court on June 10, 2024 [docket no. 215].

14 On June 5, 2024, Debtor filed its Stipulation to Assume Lease for Non-Residential  
15 Property At 1104 Arroyo Street, 1112 Arroyo Street Unit A And 1112 Arroyo Street Unit  
16 B, San Fernando, CA 91340 (“Stipulation to Assume Lease”) [docket no. 210]. Hearing  
17 on the Stipulation to Assume Lease has been set for June 27, 2024 [see docket no. 217].

18  
19 **2. DEBTOR’S PROGRESS TOWARD CONFIRMING A CHAPTER 11 PLAN**

20 Debtor, though counsel, has been working with counsel for the Creditors’  
21 Committee in negotiating with Amazon for the release of Debtor’s receivables in  
22 Amazon vendor accounts. Release of these accounts to the Debtor is necessary for Debtor  
23 to have the income to pay its operating costs, and to propose a feasible Plan of  
24 reorganization that includes payment to creditors.

25 Debtor is reviewing the claims filed to its bankruptcy case, to determine if  
26 objection to any of the claims is appropriate.

27 Debtor is in the process of interviewing candidates to hire as an accountant. Once  
28 a suitable candidate is found, Debtor will file an application to hire the accountant with

1 the Court, and Debtor anticipates filing such an application to employ prior to the June  
2 27, 2024 continued status conference.

3 During the pendency of the bankruptcy, Debtor has adjusted its business model to  
4 obtain subscriptions from customers, and focus on monthly recurring revenue. In the past  
5 month, Debtor has increased its monthly subscribers from approximately 200 to over 500.  
6 Over the past two months, Debtor has increased its local distribution, and currently has  
7 over 150 local stores carrying its products.  
8

9  
10 LAW OFFICES OF MICHAEL JAY BERGER

11  
12 Dated: June 13, 2024

13 By: 

14 Michael Jay Berger  
15 Attorney for Debtor,  
16 Mr. Tortilla, Inc.  
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**DECLARATION OF ANTHONY ALCAZAR**

I, Anthony Alcazar, declare and state as follows:

1. I am the President and Director of Mr. Tortilla, Inc., the Debtor and Debtor-in-Possession (the "Debtor"). I am over the age of 18. I have personal knowledge of the facts I state below, and if I were to be called as a witness, I could and would competently testify about what I have written in this declaration.

2. On April 19, 2024 the Official Committee of Unsecured Creditors ("Creditors' Committee") filed its Application to Employ Genesis Credit Partners, LLC ("Genesis") as Financial Advisor and Investment Banker ("Application to Employ Genesis") [docket no. 141]. On May 24, 2024 the Court entered an Order granting the Application to Employ Genesis [docket no. 204].

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4. On April 25, 2024, Debtor filed a Motion for Turnover of Property ("Turnover Motion") [docket no. 148]. On May 16, 2024, the Turnover Motion came for hearing, and on May 22, 2024 the Court entered an Order granting the Turnover Motion [docket no. 196].

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1           6.       On May 9, 2024, the Creditors' Committee filed its Objection to the Notice  
2 of Setting Insider Compensation of Debtor's insiders ("Insider Compensation Objection")  
3 [docket no. 163]. On May 14, 2024 Debtor filed its Reply to the Insider Compensation  
4 Objection [docket no. 180]. Hearing was held on the Insider Compensation Objection on  
5 May 16, 2024. On June 4, 2024 the Court issued an Order that resolved the Insider  
6 Compensation Objection [docket no. 209].

7           7.       On May 9, 2024, the Debtor filed its Emergency Motion for Order  
8 Authorizing Interim Use of Cash Collateral ("Cash Collateral Motion") [docket no. 166].  
9 On May 16, 2024 the Creditors' Committee filed its Objection to the Cash Collateral  
10 Motion [docket no. 185], and on May 17, 2024 creditor Sand Park Capital, LLC filed its  
11 Objection to the Cash Collateral Motion [docket no. 188]. On May 24, 2024 the Debtor  
12 filed its Reply to the Objections to its Cash Collateral Motion [docket no. 203]. Hearing  
13 on the Cash Collateral Motion is scheduled for June 27, 2024 at 1:00 p.m.  
14

15           8.       On May 16, 2024, the Debtor filed its Motion to Reject Sublease for Non-  
16 Residential Property at 1110 Arroyo Street, San Fernando, CA 91340 ("Motion to Reject  
17 Sublease") [docket no. 183]. The Motion to Reject Sublease was not objected to, and was  
18 granted by the Court on June 10, 2024 [docket no. 215].

19           9.       On June 5, 2024, Debtor filed its Stipulation to Assume Lease for Non-  
20 Residential Property At 1104 Arroyo Street, 1112 Arroyo Street Unit A And 1112 Arroyo  
21 Street Unit B, San Fernando, CA 91340 ("Stipulation to Assume Lease") [docket no.  
22 210]. Hearing on the Stipulation to Assume Lease has been set for June 27, 2024 [see  
23 docket no. 217].

24           10.      Debtor, though counsel, has been working with counsel for the Creditors'  
25 Committee in negotiating with Amazon for the release of Debtor's receivables in  
26 Amazon vendor accounts. Release of these accounts to the Debtor is necessary for Debtor  
27 to have the income to pay its operating costs, and to propose a feasible Plan of  
28 reorganization that includes payment to creditors.

1 11. Debtor is reviewing the claims filed to its bankruptcy case, to determine if  
2 objection to any of the claims is appropriate.

3 12. Debtor is in the process of interviewing candidates to hire as an accountant.  
4 Once a suitable candidate is found, Debtor will file an application to hire the accountant  
5 with the Court, and Debtor anticipates filing such an application to employ prior to the  
6 June 27, 2024 continued status conference.

7 13. During the pendency of the bankruptcy, Debtor has adjusted its business  
8 model to obtain subscriptions from customers, and focus on monthly recurring revenue.  
9 In the past month, Debtor has increased its monthly subscribers from approximately 200  
10 to over 500. Over the past two months, Debtor has increased its local distribution, and  
11 currently has over 150 local stores carrying its products.  
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13  
14 I declare under penalty of perjury that the foregoing is true and correct and that  
15 this declaration is executed on June 13, 2024 at San Fernando, California.

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18 Anthony Alcazar  
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## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:  
9454 Wilshire Blvd., 6<sup>th</sup> Fl., Beverly Hills, CA 90212

A true and correct copy of the foregoing document entitled (*specify*): **DEBTOR'S UPDATED STATUS  
CONFERENCE REPORT; DECLARATION OF ANTHONY ALCAZAR IN SUPPORT  
THEREOF** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-  
2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General  
Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*)  
\_6/13/2024\_, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the  
following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On 6/13/2024, I served the following persons and/or entities at the last known addresses in this bankruptcy case or  
adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class,  
postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will  
be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (*state method  
for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on \_6/13/2024\_, I served the  
following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to  
such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration  
that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is  
filed.

Honorable Victoria Kaufman  
United States Bankruptcy Court  
Central District of California  
21041 Burbank Boulevard, Suite 354 / Courtroom 301  
Woodland Hills, CA 91367

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

6/13/2024	Peter Garza	/s/Peter Garza
<i>Date</i>	<i>Printed Name</i>	<i>Signature</i>



**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):**

**Counsel for Debtor: Michael Jay Berger** michael.berger@bankruptcypower.com,  
yathida.nipha@bankruptcypower.com; michael.berger@ecf.inforuptcy.com

**Counsel for Metropolitan Capital Bank & Trust: Jeffrey N Brown** jbrown@thompsoncoburn.com,  
cmamayson@thompsoncoburn.com, smagnus@thompsoncoburn.com, DocketLA@thompsoncoburn.com

**U.S. Trustee: Katherine Bunker** kate.bunker@usdoj.gov

**Counsel for Sand Park: Brian T Corrigan** bcorrigan@cormorllp.com, scm@cormorllp.com

**Counsel for Spartan Business Solutions: Anthony F. Giuliano** afg@glpcny.com

**Counsel for 8fig Inc.: John E Johnson** jjohnson@padfieldstout.com

**Counsel for Dekirmenjian Family Trust: Bret D Lewis** Bretlewis@aol.com, bdlawyager@gmail.com

**Interested Party: Matthew D. Resnik** Matt@rhmfir.com, roksana@rhmfir.com; rosario@rhmfir.com;  
sloan@rhmfir.com; priscilla@rhmfir.com; rebecca@rhmfir.com; david@rhmfir.com; susie@rhmfir.com;  
max@rhmfir.com; russ@rhmfir.com

**Counsel for Amazon Capital: Brandy A Sargent** brandy.sargent@klgates.com, litigation.docketing@klgates.com;  
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**United States Trustee (SV)** ustpregion16.wh.ecf@usdoj.gov

**Counsel for SBA: Elan S Levey** elan.levy@usdoj.gov, manalili47@gmail.com; julie.morales@usdoj.gov

**Official Committee of Unsecured Creditors Jeffery D Hermann** jhermann@orrick.com,  
casestream@ecf.courtdrive.com

**Counsel for Blue Bridge: Jeffrey Garfinkle** jgarfinkle@buchalter.com, docket@buchalter.com;  
lverstegen@buchalter.com

**2. SERVED BY UNITED STATES MAIL**

U.S. Trustee:

Katherine Bunker

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**SECURED CREDITORS:**

8Fig, Inc.

11801 Domain Blvd, Third Floor

Austin, TX 78758

8Fig, Inc.

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c/o K&L Gates LLP

One SW Columbia St. Ste. 1900

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Amazon Capital Services

PO Box 84837

Seattle, WA 98124-6137

Amazon Capital Services, Inc.  
410 Terry Ave. N.  
Seattle, WA 98109

Amazon Capital Services, Inc.  
c/o Davis Wright Tremaine LLP  
Attn: Lauren Dorsett, Esq.  
A 920 5th Avenue, Suite 330  
Seattle, WA 98104-1610

Blue Bridge Financial, Inc.  
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Reston, VA 20190 (Address from POC)

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Jersey City, NJ 07302

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2917 Avenue I  
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Cedar Advance  
c/o Corrigan & Morris LLP  
100 Wilshire Blvd., Ste. 700  
Santa Monica, CA 90401

Corporation Service Company  
As Representative  
PO Box 2576  
Springfield, IL 62708

CT Corporation Service Company  
as Representative  
PO Box 2576  
Springfield, IL 62708

Fasanara Securitisation S.A. Acting  
For and On Behalf of Its Compartment  
36-38 Grand-RUE  
Grand Duchy of Luxembourg  
Grand Duchy of Luxembourg 1660

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PO Box 4568  
Auburn, WA 98001

Financial Pacific Leasing, Inc.  
3455 S 344th Way #300  
Auburn, WA 98001-9546

First Corporate Solutions  
as Representative  
914 S. Street  
Sacramento, CA 95811

Huntington Valley Bank  
990 Spring Garden Street 700  
Philadelphia, PA 19123

Huntington Valley Bank  
First Citizen Square  
15 South Main Street  
Mansfield, PA 16933-1590

Mercury Capital  
27702 Crown Valley Pkwy  
Bldg D4 #205  
Ladera Ranch, CA 92694

Metropolitan Capital Bank & Trust  
9 East Ontario Street  
Chicago, IL 60611

Parkside Funding Group LLC  
865 Nj-33 Business 3 Unit 192  
Freehold, NJ 07728

Partners Personnel  
Management Services, LLC  
3820 State Street, Ste B  
Santa Barbara, CA 93105

Robert Reiser and Company  
725 Dedham Street  
Canton, MA 02021

Sand Park Capital LLC  
c/o Corrigan & Morris LLP  
5401 Collins Ave, Ste. Cu-9A  
Miami, FL 33140

Sand Park Capital LLC  
c/o Corrigan & Morris LLP  
Attn: Brian T. Corrigan  
1425 Foothills Village Dr.  
Henderson, NV 89012

Sellers Funding  
45 N. Broad Street, Suite 100  
Ridgewood, NJ 07450

Shopify Capital  
100 Shockoe Slip, 2nd Floor  
Richmond, VA 23219

Slope Advance  
7 Freelon Street  
San Francisco, CA 94107

Spartan Capital  
371 E Main St, Suite 2  
Middletown, NY 10940

Stor RB One Limited  
14 Old Queen Street  
London, UK SW1H9HP GBR

U.S. Small Business Administration  
10737 Gateway West, #300  
El Paso, TX 79935

U.S. Small Business Administration  
c/o Elan S. Levey  
300 N. Los Angeles Street  
Fed. Bldg. Rm. 7516  
Los Angeles, CA 90012

CREDITORS COMMITTEE:

Simpler Postage, Inc. (dba EasyPost)  
2889 Ashton Boulevard, Ste. 325  
Lehi, UT 84043

Jeeves  
c/o Alexander Grimwood  
2035 S. Sunset Lake Rd., Ste. B-2  
Newark, DE 19702

Orrick  
c/o Herrington & Sutcliffe LLP  
Brandon Batzel, Esq.  
51 West 52<sup>nd</sup>  
New York, NY 10019-6142